

**STATUS OF PROJECTS IN EXECUTION – FY06**  
**SOPE**  
**REGION: EAST ASIA AND PACIFIC**  
**COUNTRY: LAOS**

**Operations Policy and Country Services**  
**SEPTEMBER 19, 2006**



**Report on the Status of Projects in Execution - FY06**  
**SOPE**  
**Region: East Asia and Pacific**  
**Country: Laos**

**Introduction**

The Status of Projects in Execution (SOPE) Report for FY06 provides information on all IBRD/IDA projects that were active on June 30, 2006.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. In accordance with the Bank's revised disclosure policy, since FY02, the SOPE Report is available to the public.

The report is intended to bridge the gap in information available to the public between the Project Appraisal Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

In addition to the project progress description, the FY06 SOPE report<sup>1</sup> contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date for all active projects.

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<sup>1</sup> Notes:

- Amounts for Projects in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.



**Country: Laos**

**Project Name (ID):** Provincial Infrastructure Project ( P042237 )

**Country:** Laos

**Board Approval Date :** 09/22/1998

**Midterm Review Date :** 05/17/2002

**Closing Date :** 11/30/2006

**Loan/Credit/Grant Number :** IDA-31310

**Sector(s):** Roads and highways (58%), Water supply (21%), Sub-national government administration (16%), Aviation (4%), Ports, waterways and shipping (1%)

**Theme(s):** Rural services and infrastructure (P)

**Project Development Objectives:**

To strengthen the local institutional capacity, and rehabilitate and upgrade critical basic infrastructure of Oudomxay and Phongsaly Provinces.

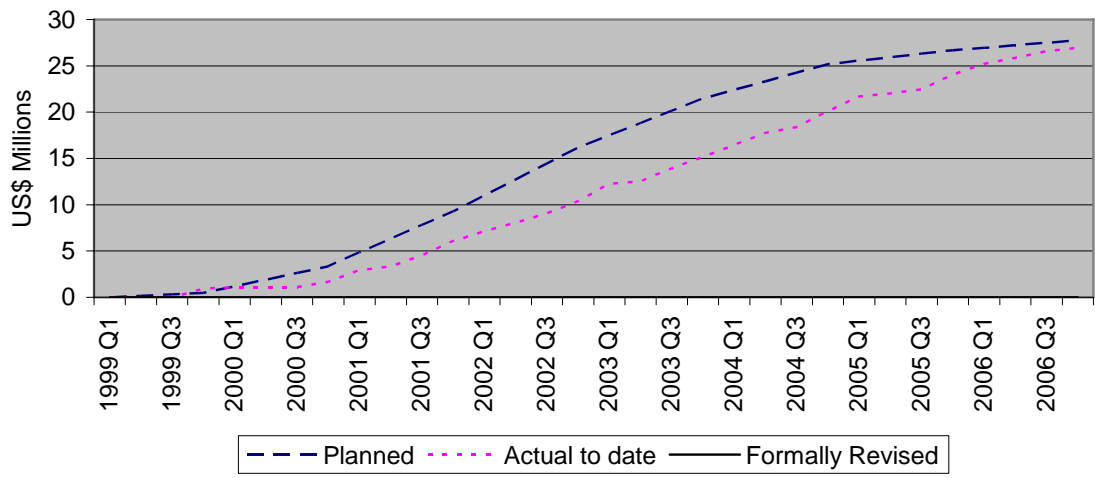
**Progress toward achieving development objective(s):**

The transport access component is complete for both Oudomxay and Phongsaly, allowing the benefits to be realized earlier than planned. The urban water supply systems have been operating for over a year in Oudomxay and Muong Khoua. Though water production in both towns is below design capacity because of drought and poor watershed management, optimization solutions are being carried out to enhance sustainability. The outcomes of the rural water supply and sanitation component are very good with local cost recovery and financing schemes increasing beneficiary ownership and appreciation. The impacts have reduced poverty, and the program has established a sustainable process for supporting poorer families within the community. The institutional strengthening component was expanded, especially in language and academic training. Provincial staff are applying the skills acquired to better perform their planning and technical functions.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-31310	Effective	30.43	26.94	1.45	0.00





**Project Name (ID):** SUSTAINABLE FORESTRY FOR RURAL DEVELOPMENT PROJECT ( P064886 )

**Country:** Laos

**Board Approval Date :** 06/24/2003

**Midterm Review Date :** 09/22/2005

**Closing Date :** 12/31/2008

**Loan/Credit/Grant Number :** IDA-38020, JPN-26765

**Sector(s):** Forestry (100%)

**Theme(s):** Other public sector governance (P), Land administration and management (P)

**Project Development Objectives:**

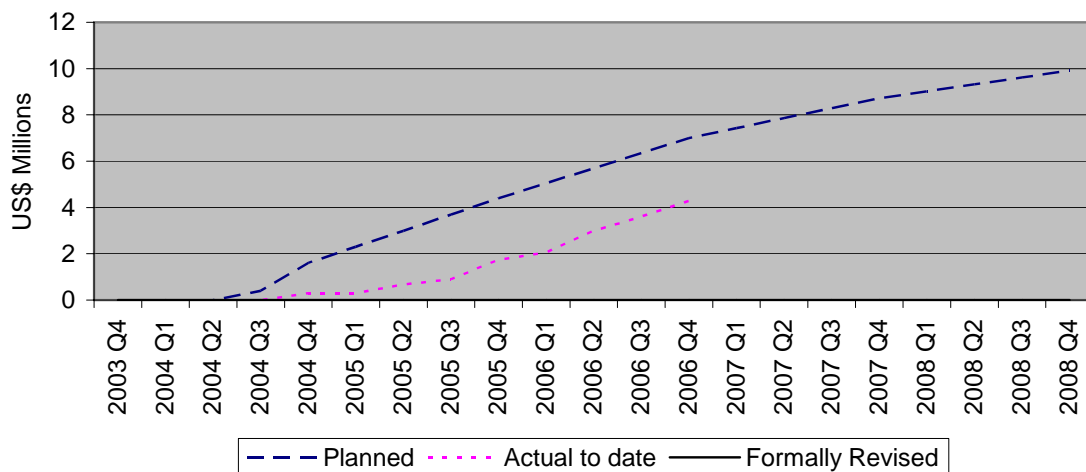
The objective is to achieve the sustainable management of production forests to alleviate rural poverty in the Project Provinces.

**Progress toward achieving development objective(s):**

Implementation has accelerated as a result of changes in national project management and the technical assistance team. Inventories have been prepared for 57 out of a planned 67 "Sub-Forest Management Areas (SFMAs), 16 SFMAs have approved plans and those for a further 49 are nearing finalization and approval. Fifty-three potential Production Forest Areas (>4 million hectares) have been preliminarily identified for development under participatory forest management arrangements. Implementation of village development sub-projects continues to be slow, but progress has been made on design and approval processes. Sector monitoring is developing and is supporting policy development and control.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-38020	Effective	10.58	4.26	6.31	0.00
JPN-26765	Closed	0.08	0.07	0.00	0.01



**Project Name (ID):** LA-Agricultural Development Project ( P065973 )

**Country:** Laos

**Board Approval Date :** 05/29/2001

**Midterm Review Date :** 04/01/2005

**Closing Date :** 06/30/2007

**Loan/Credit/Grant Number :** IDA-35090, JPN-26194, JPN-26886

**Sector(s):** Irrigation and drainage (50%), General public administration (24%), Agricultural extension and research (13%), General transportation (10%), General water, sanitation and flood protection (3%)

**Theme(s):** Other social protection and risk management (P), Other rural development (P), Decentralization (S), Participation and civic engagement (S)

**Project Development Objectives:**

The objective of the project is to reduce rural poverty by improving and increasing agricultural production, to be achieved by taking a community-based approach to designing and implementing components which directly have an impact on the lives of the poor in the participating provinces and districts.

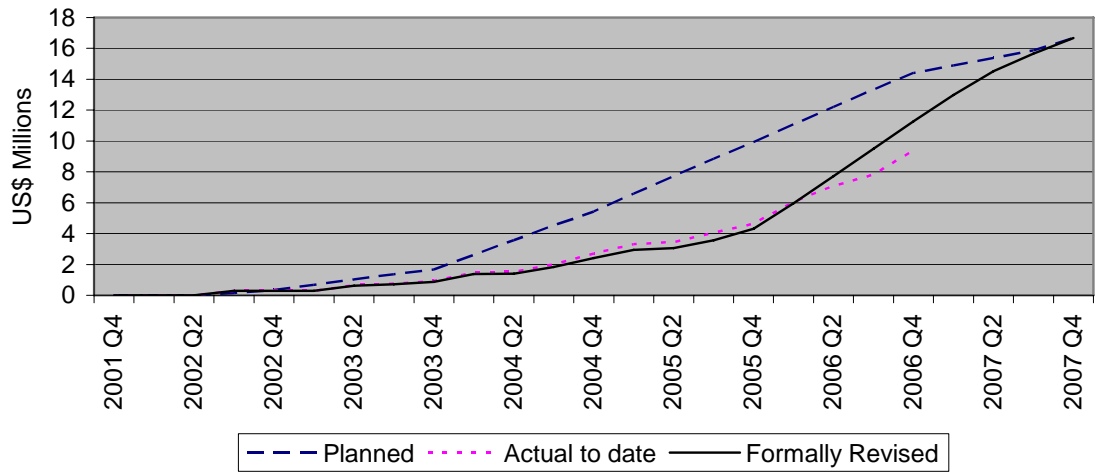
**Progress toward achieving development objective(s):**

Good progress is being made in the village investment for the poor component, which is targeting poor households, using a community participation approach in participating villages/districts that are not benefiting from the irrigation schemes. The agriculture services component is extending new techniques for rice and other crops to increase yields and benefits in anticipation of improved irrigation. However, completion of the rehabilitation of irrigation works, access tracks, and rural water supply is behind schedule, and this component will need to accelerate in order to achieve the project development objectives.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-35090	Effective	19.40	9.41	9.86	0.00
JPN-26194	Closed	0.08	0.06	0.00	0.01
JPN-26886	Closed	1.16	1.14	0.00	0.02





**Project Name (ID):** Health Services Improvement Project ( P074027 )

**Country:** Laos

**Board Approval Date :** 09/13/2005

**Midterm Review Date :** 07/31/2008

**Closing Date :** 06/30/2011

**Loan/Credit/Grant Number :** IDA-H1830, IDA-Q4760, JPN-50606

**Sector(s):** Health (90%), Central government administration (5%), Compulsory health finance (5%)

**Theme(s):** Health system performance (P), Child Health (S), Other communicable diseases (S), Population and reproductive health (S), Nutrition and food security (S)

**Project Development Objectives:**

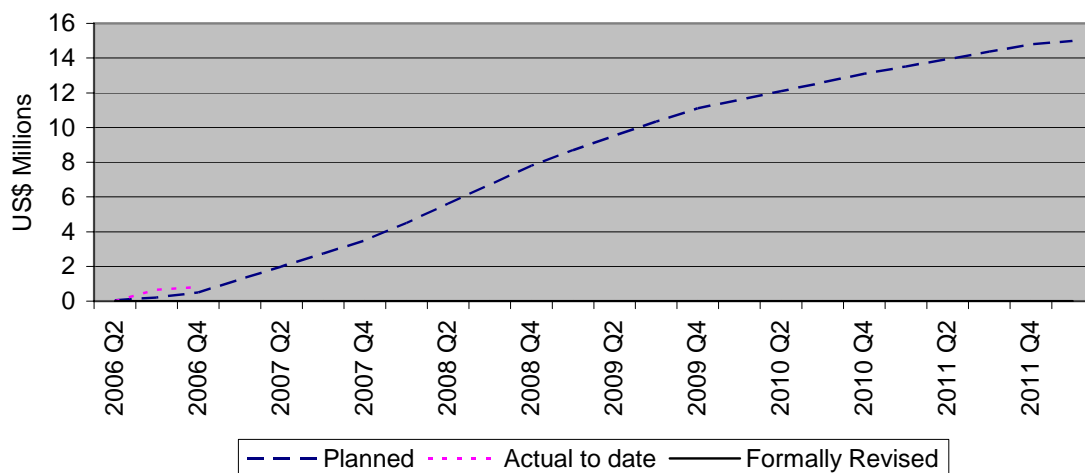
To assist the Lao PDR to improve the health status of its population, particularly the poor and rural population, in eight Central and Southern Provinces.

**Progress toward achieving development objective(s):**

The Project became effective in the latter part of the reporting period and was still in too early a stage for meaningful progress.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-H1830	Effective	15.29	0.81	14.46	0.00
IDA-Q4760	Closed	0.56	0.00	0.00	0.56
JPN-50606	Closed	0.28	0.28	0.00	0.00



**Project Name (ID):** Second Land Titling Project ( P075006 )

**Country:** Laos

**Board Approval Date :** 06/24/2003

**Midterm Review Date :** 05/29/2006

**Closing Date :** 06/30/2009

**Loan/Credit/Grant Number :** IDA-38010, JPN-50627

**Sector(s):** General public administration (50%), General agriculture, fishing and forestry (50%)

**Theme(s):** Land administration and management (P), Rural markets (P), Personal and property rights (P)

**Project Development Objectives:**

The objectives of the project are to improve land tenure security and develop efficient and transparent land administration institutions.

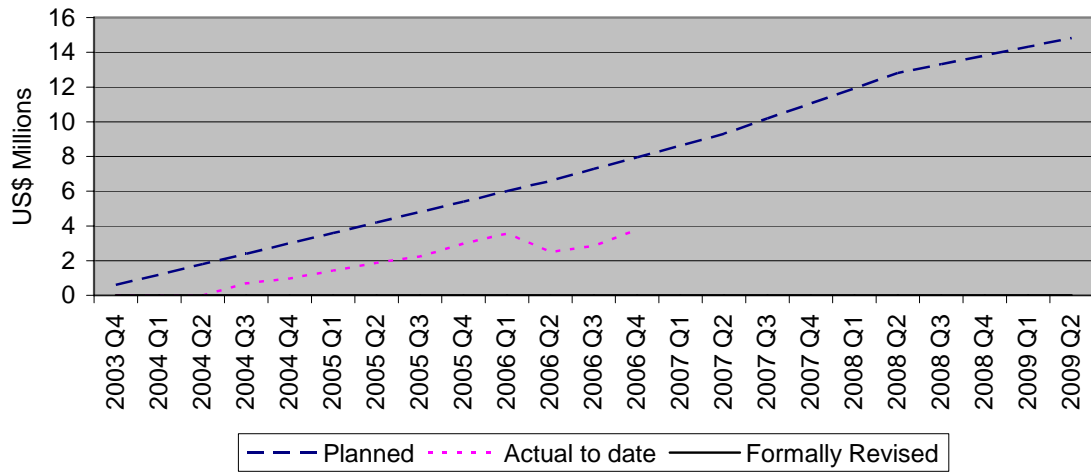
**Progress toward achieving development objective(s):**

Good progress continues to be made with the technical implementation of the project, including the distribution of titles in all project provinces and the implementation of uniform standards to enable transparent and equitable delivery of land administration services. The Higher Diploma course in land administration at the Lao Polytechnic School has been successfully institutionalized. The necessary enabling decrees to establish a single national land administration agency have been approved and it is expected that progress on implementing the new agency will commence during the coming year. To ensure the successful achievement of the project's development objectives there is a need for engagement at a high level of the government. This requires re-operationalizing the National Land Policy Committee and Project Steering Committee.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-38010	Effective	15.88	3.77	12.15	0.00
JPN-50627	Closed	0.49	0.40	0.00	0.08





**Project Name (ID):** Rural Electrification Phase I Project of the Rural Electrification (APL) Program ( P075531 )

**Country:** Laos

**Board Approval Date :** 04/27/2006

**Closing Date :** 03/31/2010

**Loan/Credit/Grant Number :** IDA-H2180, JPN-52798

**Sector(s):** Power (85%), Renewable energy (15%)

**Theme(s):** Rural services and infrastructure (P), Regulation and competition policy (S), Climate change (S), State enterprise/bank restructuring and privatization (S), Rural policies and institutions (S)

**Project Development Objectives:**

To (i) increase access to electricity of rural households in villages of targeted provinces; and (ii) improve financial performance of the power sector.

**Progress toward achieving development objective(s):**

The project is not yet effective.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H2180	Not Effective	10.29	0.00	10.29	0.00
JPN-52798	Closed	1.32	1.30	0.00	0.02



**Project Name (ID):** Lao PDR-Poverty Reduction Fund ( P077326 )

**Country:** Laos

**Board Approval Date :** 06/25/2002

**Midterm Review Date :** 12/06/2005

**Closing Date :** 03/31/2008

**Loan/Credit/Grant Number :** IDA-36750, IDA-Q3350

**Sector(s):** General transportation (28%), General education (28%), Other social services (25%), Central government administration (11%), Sub-national government administration (8%)

**Theme(s):** Rural services and infrastructure (P), Decentralization (P), Gender (P), Participation and civic engagement (P), Other social protection and risk management (S)

**Project Development Objectives:**

The project aims to: (i) improve the access to public infrastructure and services at the village level; (ii) build capacity and empower villages in poor districts to manage their own public investment planning; and (iii) strengthen local institutions to support participatory decision making and conflict resolution processes at the village, inter-khet, and district levels.

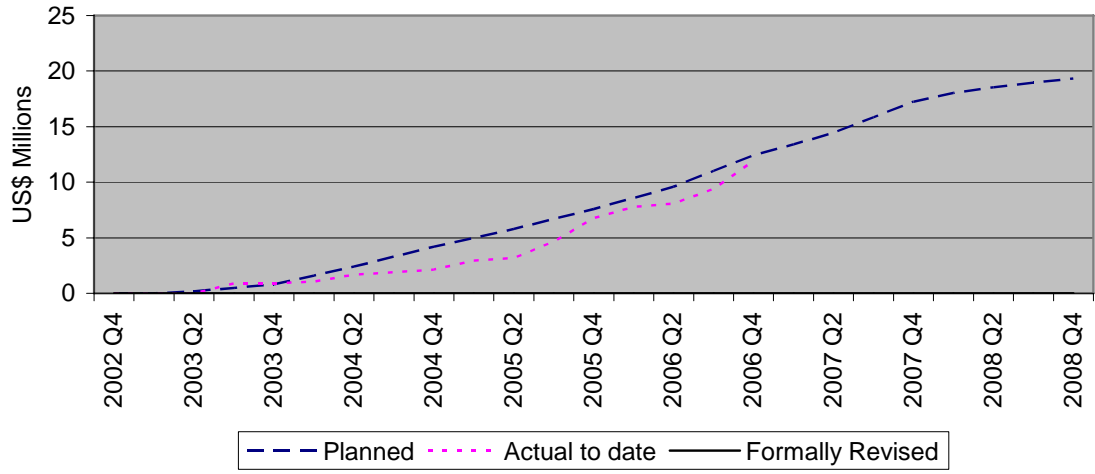
**Progress toward achieving development objective(s):**

Good progress is being made in meeting the project development objectives. The Fund, operating in 20 districts in 5 provinces (Champasack, Huaphanh, Savannakhet, Saravane, and Xiengkhuang) is delivering development resources directly to the village level. Villagers select, plan, implement and manage their own subprojects. More than 1,300 subprojects have been supported. The most requested types of projects relate to access to clean water, health, education and transportation.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-36750	Effective	22.49	11.92	10.51	0.00
IDA-Q3350	Closed	0.60	0.00	0.00	0.60





**Project Name (ID):** Financial Management Capacity Building Credit ( P077620 )

**Country:** Laos

**Board Approval Date :** 06/25/2002

**Midterm Review Date :** 10/13/2006

**Closing Date :** 04/30/2008

**Loan/Credit/Grant Number :** IDA-36760

**Sector(s):** Central government administration (58%), Banking (35%), General industry and trade (7%)

**Theme(s):** State enterprise/bank restructuring and privatization (P), Regulation and competition policy (P), Public expenditure, financial management, and procurement (S), Small and medium enterprise support (S), Rural markets (S)

### Project Development Objectives:

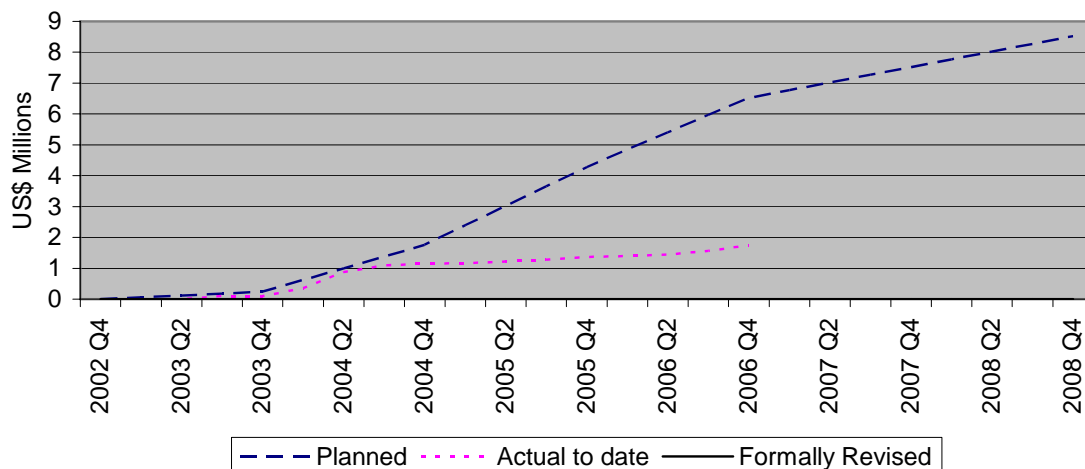
The project development objective is build capacity of Government of Lao (GOL) to implement its structural reform program and to provide timely and flexible support to facilitate the implementation of the reform program in public sector reform, improving SOE performance, and financial sector reform.

### Progress toward achieving development objective(s):

Progress towards meeting the development objectives has been slower than expected. Capacity building efforts got a boost with the appointment of a long term capacity development advisor. Progress towards improving the systems for financial management has been good with procurement on-going for stabilization of the Government Financial Information System. The appointment of a full time project director in end-2006 has been instrumental at keeping project implementation on-going.

### Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IDA-36760	Effective	10.00	1.76	8.21	0.00



**Project Name (ID):** Second Education Development Project ( P078113 )

**Country:** Laos

**Board Approval Date :** 04/29/2004

**Midterm Review Date :** 04/30/2007

**Closing Date :** 02/28/2010

**Loan/Credit/Grant Number :** IDA-38860, IDA-H0840, IDA-Q3930, JPN-26344

**Sector(s):** Primary education (54%), Central government administration (35%), Tertiary education (11%)

**Theme(s):** Education for all (P), Participation and civic engagement (S)

**Project Development Objectives:**

The development objective is to increase primary school enrollment and completion (reduce repetition and drop-out rates) in the 19 poorest provinces.

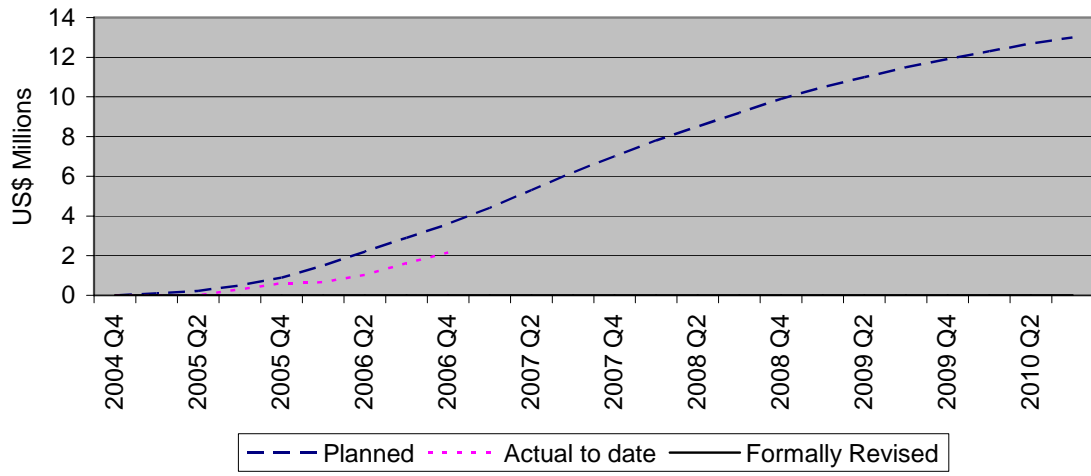
**Progress toward achieving development objective(s):**

Ministry of Education made significant achievements in FY06 that can be expected to contribute to the overall development objective of increased primary completion rates: the completion of 63 classrooms in the 20 target villages selected for the pilot phase of the Project's community-based development component; carrying out the first full round of testing in March and April under the Assessment of Student Learning Outcomes sub-component; the work undertaken in preparing for the publication and free distribution of revised textbooks and teacher guides for Grade 1 in time for the 2006/07 school year; development of the National University's new Bachelor of Education Administration and Management program; and the establishment of a baseline for the evaluation of the impact of the community-based development component.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-38860	Effective	5.73	1.01	4.72	0.00
IDA-H0840	Effective	8.23	1.13	7.11	0.00
IDA-Q3930	Closed	0.23	0.00	0.00	0.23
JPN-26344	Closed	0.46	0.40	0.00	0.06





**Project Name (ID):** Road Maintenance Program (Phase 2) ( P083543 )

**Country:** Laos

**Board Approval Date :** 06/30/2004

**Midterm Review Date :** 04/02/2007

**Closing Date :** 03/31/2009

**Loan/Credit/Grant Number :** IDA-39440, JPN-53320, JPN-53808

**Sector(s):** Roads and highways (97%), Central government administration (3%)

**Theme(s):** Infrastructure services for private sector development (P), Other accountability/anti-corruption (S), Other financial and private sector development (S), Non-communicable diseases and injury (S)

**Project Development Objectives:**

The second phase Road Maintenance Program will expand the operation of financing and management systems for the sustainable maintenance with two primary objectives: (a) national and local road assets are preserved to provide sustainable improved travel and access; and (b) sustainable financing and management of roads are operational countrywide with improved institutional capacity.

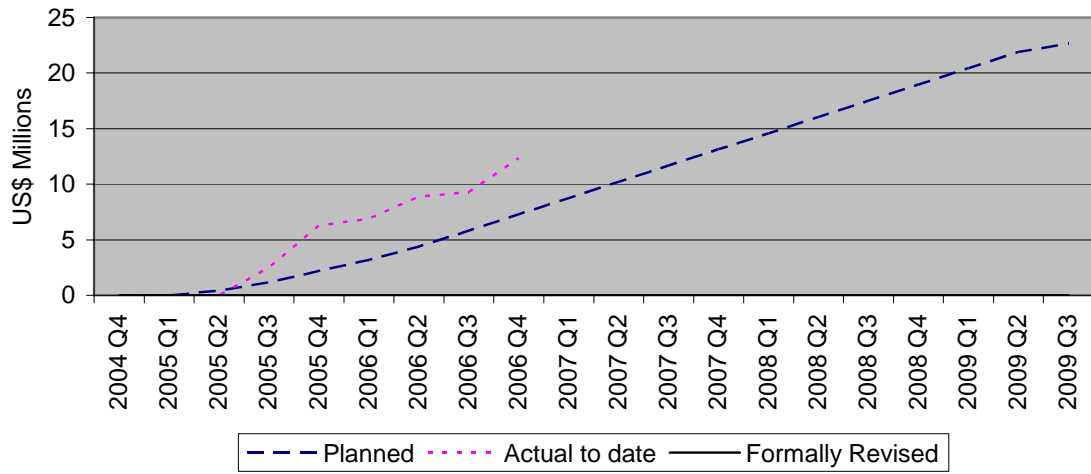
**Progress toward achieving development objective(s):**

After a strong start, implementation of the second phase has slowed down. Civil works are strategically preserving key national and local road assets through the planned annual programs. A multi-year, results-based capacity development framework and key indicators for sustainable finance and management of roads have been developed. Delays in procuring consultants for the capacity-building component could affect the full and timely achievement of the development objectives.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-39440	Effective	22.78	12.34	10.52	0.00
JPN-53320	Closed	0.46	0.44	0.00	0.02
JPN-53808	Effective	4.80	0.46	4.34	0.00





**Project Name (ID):** Lao Environment and Social Project ( P090693 )

**Country:** Laos

**Board Approval Date :** 06/30/2005

**Closing Date :** 12/31/2010

**Loan/Credit/Grant Number :** IDA-H1770

**Sector(s):** Central government administration (48%), Forestry (25%), Other social services (11%), Sub-national government administration (9%), General education (7%)

**Theme(s):** Environmental policies and institutions (P), Other social development (S), Biodiversity (S), Water resources management (S), Participation and civic engagement (S)

**Project Development Objectives:**

The overall Project Development Objective is to assist the Recipient to strengthen the management of environmental and social issues associated with the sustainable use of natural resources in Lao PDR for enhancing quality of growth and reducing poverty.

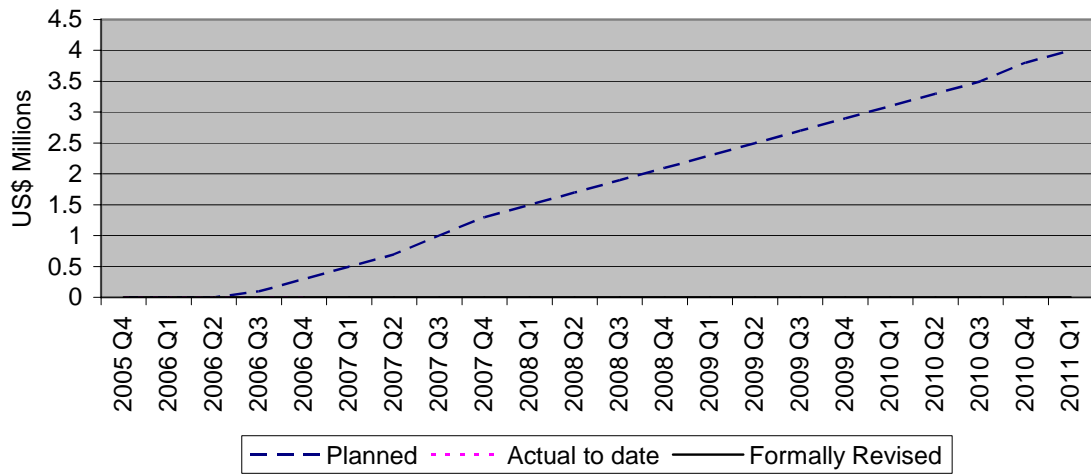
**Progress toward achieving development objective(s):**

Activities during FY06 were focused on ensuring that the conditions of effectiveness for the project were met. These included the adoption of the Decree on Resettlement and Compensation; formal establishment of the Environment Protection Fund, as a long-term vehicle to support environment and natural resource management; and the LEnS Windows Management Unit. The project became effective in April 2006. The final management arrangements, concerning responsibilities of the Project Steering Committee and the EPF Board of Directors, will be submitted for approval in September 2006. The scopes of work for project support to integrated river basin management and sustainable development of the hydropower sector are under development. The former is at an advanced draft stage, awaiting input from the Water Resources Coordination Committee on projected costs and integration with the development of the Nam Ngeum basin management model. Towards the end of FY06, orientation and initial planning began with the newly appointed LEnS WMU staff, including development of strategies for each project component, preparation for the first set of broad stakeholder workshops, and assessment of provincial environmental plans.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H1770	Effective	3.97	0.00	3.97	0.00





**Project Name (ID):** Lao PDR Second Poverty Reduction Support Operation (PRSO2) ( P096635 )

**Country:** Laos

**Board Approval Date :** 04/27/2006

**Closing Date :** 02/28/2007

**Loan/Credit/Grant Number :** IDA-H2170

**Sector(s):** Central government administration (60%), Law and justice (10%), Power (10%), Health (10%), General education (10%)

**Theme(s):** Public expenditure, financial management, and procurement (P), Health system performance (S), Education for all (S), State enterprise/bank restructuring and privatization (S), Legal institutions for a market economy (S)

**Project Development Objectives:**

The Second Poverty Reduction Support Operation supports the implementation of Lao PDR's National Growth and Poverty Eradication Strategy (NGPES/PRSP).

The second in a program of three PRSOs, PRSO2's development objectives are to support and advance policy reform in three main areas consistent with the GOL's development strategy:

- (i) public resource management;
- (ii) public expenditure policy; and
- (iii) sustainable growth.

**Progress toward achieving development objective(s):**

For this second operation, eleven (11) prior actions were agreed in the policy matrix. These actions are directly aimed at achieving the development objectives spelled out in Lao PDR's NGPES/PRSP. Out of the 11 prior actions, 6 have been completed before Board approval. The other four actions are progressing well and the only one lagging is the one pertaining to the Banking Sector Reform. Overall this program is proceeding well and is expected to achieve its development objectives. The Financing Agreement became effective on July 26, 2006.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H2170	Not Effective	8.23	0.00	8.23	0.00



**Project Name (ID):** Avian and Human Influenza Control and Preparedness Project ( P100081 )

**Country:** Laos

**Board Approval Date :** 06/30/2006

**Closing Date :** 09/30/2010

**Loan/Credit/Grant Number :** IDA-H2430

**Sector(s):** General public administration (35%), Health (29%), Agricultural extension and research (20%), Animal production (12%), Other social services (4%)

**Theme(s):** Rural services and infrastructure (P), Other communicable diseases (P), Participation and civic engagement (S), Other social protection and risk management (S), Health system performance (S)

**Project Development Objectives:**

Contribute to Government's National Plan which aims to minimize the threat posted to humans and poultry sectors by highly pathogenic avian influenza infection and other zoonoses in Lao PDR, and to prepare for, control, and respond to influenza pandemics and other infectious disease emergencies in humans.

**Progress toward achieving development objective(s):**

The Project was not effective before the close of the reporting period.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IDA-H2430	Not Effective	3.97	0.00	3.97	0.00

